## DISTRICT OF COLUMBIA

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### ALCOHOLIC BEVERAGE CONTROL BOARD

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IN THE MATTER OF:

Chloe, LLC t/a District 2473 18th Street, NW, License No. 92742 Retailer CR ANC 1C Case No. 13-PRO-00180

Protest Hearing

(Status)

April 2, 2014

The Alcoholic Beverage Control Board met in Alcoholic Beverage Control Hearing Room, Reeves Building, 2000 14th Street N.W., Washington, D.C., Chairperson Ruthanne Miller presiding.

#### PRESENT:

RUTHANNE MILLER, Chairperson NICK ALBERTI, Member

DONALD BROOKS, Member

HECTOR RODRIGUEZ, Member

JAMES SHORT, Member

MICHAEL SILVERSTEIN, Member

ALSO PRESENT:

	Page 2				
1	P-R-O-C-E-E-D-I-N-G-S				
2	(9:41 a.m.)				
3	CHAIR MILLER: Okay. So we're				
4	moving to the second case on the calendar				
5	which is a protest status hearing. It's Case				
6	Number 13-PRO-00180, District, located at 2473				
7	18th Street, NW, License Number 92742. And				
8	this is in ANC 1C.				
9	MR. BIANCO: Good morning, Madam				
10	Chair, members of the Board.				
11	CHAIR MILLER: Good morning.				
12	MR. BIANCO: Richard Bianco on				
13	behalf of the Licensee. With me I have				
14	Alireza Hajaligholi, our corporate				
15	representative.				
16	MR. HAJALIGHOLI: My name is				
17	Alireza Hajaligholi, A-L-I-R-E-Z-A H-A-J-A-L-				
18	I-G-H-O-L-I.				
19	CHAIR MILLER: Okay. And				
20	protestants?				
21	MR. SIMPSON: My name is William				
22	Simpson. I am the chair of Advisory				

Page 3 1 Neighborhood Commission IC. And that is S-I-M-P-S-O-N. 2 3 MR. JAMES: Dennis James, representing the Kalorama Citizen's 4 Association. 5 CHAIR MILLER: Okay. Are there 6 any issues you need to bring to our attention? 7 MR. BIANCO: Yes, Madam Chair, 8 there are some preliminary issues I would like 9 10 to bring to your attention. 11 CHAIR MILLER: Okav. MR. BIANCO: In this matter, we 12 13 have not had the opportunity to mediate. And the reason why we haven't had the opportunity 14 to mediate, I think the Board is somewhat 15 familiar with the circumstances of this 16 17 establishment. But just for the record, there are 18 two action items pending that would moot the 19 20 proceedings on the protest renewal. Specifically, as I understand it, there's a 21 pending transfer application from the Licensee 22

to the landlord in satisfaction of the landlord's security interest. I'm not aware that the Board has taken action on that matter.

And second, there is a pending show cause where the District, it would seem, is asking for penalties against the Licensee, up to and including revocation. Those matters are pending and moving forward.

So when the mediation came up, I requested and was granted that, I believe with consent, that the mediation be held in abeyance pending the outcome of the other two matters.

request this morning, that the renewal proceedings be held in abeyance pending outcome of one or both of the other matters which would make the protest on the renewal moot.

I know the Board has a busy calendar. And I don't want to clog the docket

Page 5 1 with something that could ultimately be irrelevant in the event that either the 2 transfer is granted or the license is 3 otherwise affected by the show cause 4 proceedings. 5 CHAIR MILLER: Okay. 6 Do the Protestants have anything to say to that? 7 MR. SIMPSON: I do have a few 8 9 comments. 10 CHAIR MILLER: Okay. 11 MR. SIMPSON: All right? CHAIR MILLER: Go ahead. 12 13 MR. SIMPSON: The mediation was postponed at the request of Mr. Biancho. 14 had not specifically responded to that 15 But Ms. Fletcher went ahead and 16 request. 17 cancelled that. At this point, at least on behalf 18 of ANC 1C, we would prefer to have the protest 19 20 proceedings move forward. We'd be happy to have a mediation scheduled, but we'd prefer to 21

keep the protest proceedings moving forward.

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1	We're very aware that these other			
2	matters are outstanding, in particular the			
3	potential for a show cause hearing. But we			
4	think it's important that the Board also get			
5	an opportunity to hear from the Adams Morgan			
6	community about the issues with this			
7	particular establishment. And we want to make			
8	sure the community has that opportunity.			
9	CHAIR MILLER: Okay, Mr. James?			
10	MR. JAMES: I don't disagree with			
11	that.			
12	CHAIR MILLER: You don't disagree			
13	with Mr. Simpson?			
14	MR. JAMES: Correct.			
15	CHAIR MILLER: Okay. All right.			
16	Okay. I think that it was important for the			
17	Board to hear you all. And I think that we			
18	will take this under advisement and then get			
19	back to the parties.			
20	MEMBER ALBETI: Madam Chair			
21	CHAIR MILLER: Yes?			
22	MEMBER ALBETI: may I ask Mr.			

Page 7 1 Bianco just one quick question? CHAIR MILLER: 2 Sure. 3 MEMBER ALBETI: Mr. Bianco, well, with respect to the transfer and everything 4 that's behind that, the debt owed the 5 landlord, where is that? Where does that 6 stand? 7 8 MR. BIANCO: I'm not sure, quite 9 frankly. The Licensee's role in the transfer 10 has been simply consenting to the transfer. 11 It's actually the landlord's application for a transfer. 12 13 So we signed off on the appropriate consents. They've been filed. 14 But as I understand it, there's a fact finding 15 16 hearing scheduled with regard to the transfer 17 and the landlord. So that's the last I've heard of, that's the last I've heard on the 18 issue. 19 20 MEMBER ALBETI: Okay. So both 21 parties are consenting to the transfer? MR. BIANCO: Correct. 22 It's not --

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1	MEMBER ALBETI: Okay, that's what				
2	I need to know.				
3	MR. BIANCO: Yes. It's not an				
4	involuntary situation.				
5	MEMBER ALBETI: Okay, got you.				
6	Thank you.				
7	CHAIR MILLER: Is that in our				
8	record, other than what you just said, that				
9	both parties are consenting to the transfer?				
10	MR. BIANCO: Well, it should be,				
11	because I know my clients have signed a				
12	transfer consent form which I've personally				
13	reviewed, so I can				
14	CHAIR MILLER: Okay. Okay.				
15	MR. BIANCO: It should be among				
16	the records. If not, you could have your				
17	staff follow-up and we'll ensure that we get				
18	you whatever documentation we need to.				
19	CHAIR MILLER: Okay. Any other				
20	questions?				
21	MR. JAMES: Actually, I have a				
22	point if I might.				

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1	CHAIR MILLER: Okay.
2	MR. JAMES: On behalf of the
3	Kalorama Citizens, I'm happy to attend
4	mediation in short order when scheduled. But
5	I do think, you know, that it would be fair to
6	have the show cause in this matter happen
7	before any protest hearing so that the facts
8	before us, that caused us to protest, can be
9	known.
10	CHAIR MILLER: Okay. So it's your
11	position that show cause should happen first,
12	but it's Mr. Simpson's position that
13	MR. JAMES: I'm not sure that
14	that's
15	CHAIR MILLER: it go forward?
16	Is that what you said though? I just want to
17	make sure, your position is there should be a
18	show cause before the renewal.
19	MR. JAMES: Before protest.
20	CHAIR MILLER: Protest, right.
21	MR. SIMPSON: I don't have a

strong position as to which proceeding happens

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first. But I don't think that the protest proceeding should be delayed.

CHAIR MILLER: Right, okay. All right, anything else? Okay, so we heard you all and appreciate your remarks today. And we'll take them under advisement.

I am going to just give you some instructions with respect to the protest in the event that it does move forward as scheduled.

It is scheduled for May 14th,
2014, at 4:30 p.m. And we'll let you know if
that is going to be delayed.

I want to just bring to your attention that we require that you file a protest information form which is also known as a PIF, and an exhibit form and exhibits seven days ahead of the hearing and that you serve those documents on all parties.

And these are really important to the Board and to the case having a focused hearing. And I think it's to everybody's

advantage that the hearing, everyone has the information ahead of time as to what the issues are going to be so you can prepare fully to address them and then that hearing is very focused, as much possible.

And if we don't receive a copy of your PIF, your application of protest may be subject to dismissal. So it's very important that you follow this rule.

And if we don't receive a copy of the exhibit form, then the exhibits themselves, your exhibits may be excluded from the record upon a finding that the opposing party's been prejudiced or no good cause for the failure to submit has been shown.

Also, witnesses are subject to exclusion if they're not identified on the PIF. But that doesn't include a party.

Parties are always are allowed to be witnesses.

And if you have any questions, feel free to contact Tisha Anderson, 442-6492

Page 12 1 or Martha Jenkins. And we will get back to you though on the issues that you've raised. 2 3 MR. JAMES: Madam Chair, I do have a question. 4 CHAIR MILLER: Okay. 5 MR. JAMES: This is the second 6 time I've heard you say that exhibits must now 7 be handed over to the other side one week in 8 9 advance. And the first time I heard it, I 10 wasn't sure that I heard it correctly. And 11 I've since checked with staff, and I find that there's no such requirement in the code. 12 13 fact, there's no such requirement even for the 14 PIF. 15 CHAIR MILLER: Okay. 16 MR. JAMES: But I'm happy to do 17 the PIF on behalf of Kalorama Citizens Association and try to identify before hand 18 the witnesses but not to give over the 19 20 evidence which we would be putting together. There's absolutely no basis for 21 22 that. And it opens up our witnesses to

Page 13 1 harassment from the potential other side. And I've already heard that that has happened in 2 3 a previous case. CHAIR MILLER: Okay. 4 These cases are not based on surprise. The cases are 5 based on, you know, on the facts that exist in 6 the communities and in the establishments. 7 And there is a basis in law in 8 9 general in a measured procedure that exhibits 10 be identified ahead of time so that all 11 parties can prepare. And they are not in our 12 13 regulations at this time, no. But those are the rules that we have set for a fair hearing 14 for all sides, so there're no surprises to me 15 16 or there're no surprises to them. MR. JAMES: Well, I think it's 17 profoundly unfair and unlikely to withstand an 18 appeal. And also, I've been told by your 19 20 staff that it's not the full Board's policy, 21 that it's your policy.

And, Mr. James, if

CHAIR MILLER:

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1	you want to appeal in the case, you can. I
2	can't continue this discussion right now.
3	Because we have other cases pending. But
4	we've heard you, and if you want to, you know,
5	pursue that in another forum, you can do that.
6	But I can't take any more time here today.
7	All right, so thank you very much.
8	MR. JAMES: Thank you.
9	MR. BIANCO: Thank you, Madam
10	Chair, and members of the Board.
11	MR. HAJALIGHOLI: Thank you.
12	MR. BIANCO: Have a nice day.
13	CHAIR MILLER: Thank you, you too.
14	(Whereupon, the hearing in the
15	above-entitled matter was concluded at 9:51
16	a.m.)
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